OCI No. 2820/65

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 29 October 1965

INTELLIGENCE MEMORANDUM

The Indonesian Situation (Report # 45 -- As of 4:00 P.M. EDT)

5. Military leaders remain concerned over the levelty

5. Military leaders remain concerned over the loyalty of army units in Central Java. Of 19 combat battalions in that area, as many as eight are of doubtful loyalty. In view of the suspected PKI-orientation of two of the three battalions making up a brigade now in the Solo-Jogjakarta

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area, the entire brigade is being shifted to Borneo and is being replaced by a loyal Javanese brigade now deployed there. Other loyal troops are returning from Sumatra where they have been stationed for several months; the first elements of these forces were scheduled to arrive in Java on 27 October.

6. In East Java a potentially serious situation exists in the easternmost part of the province. This area is believed to be a long-prepared PKI hideout from which the Communists have now launched terrorist activity.

7. In North Sumatra, where the PKI had accumulated considerable strength, the former leftist army commander has been reassigned to Djakarta and replaced with the
intensely anti-Communist Gen. Sobiran.

9. After several changes of plan, Brig. Gen. Sukendro, who is close to General Nasution, left Indonesia on 29 October for a three-month tour of Asia, Africa, and Europe. He is leaving on Sukarno's orders; his departure is obviously intended to deny Nasution a valuable staff officer.

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